

# **EXHIBIT N**

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY  
TRENTON VICENAGE

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GEORGE STAMOS, :  
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 :  
 Plaintiff, :  
 :  
 :  
 -v- :  
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 :  
 AOP OPERATING COMPANY, LLP; :  
 JOSEPH SOLANO AND JONATHAN :  
 SOBEL, :  
 :  
 :  
 Defendants. :  
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DEPOSITION OF: MICHAEL CLITES

September 14, 2021

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1  
2  
3 T R A N S C R I P T of the deposition of  
4 MICHAEL CLITES, a witness herein, called for Oral  
5 Examination by the parties in the above-entitled action,  
6 said deposition being taken pursuant to Notice, by and  
7 before LORI YUCHT, a Certified Court Reporter and Notary  
8 Public of the State of New Jersey, License No. XI00200400,  
9 at the Offices of Chiesa Shahinian & Giantomasi, 830 Morris  
10 Turnpike, Short Hills, New Jersey, on Tuesday, September 14,  
11 2021, commencing at 3:26 in the afternoon.  
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1 it, just let me know, we'll take a break and that  
2 will be that, okay?

3 A Okay.

4 Q Can you tell me how you're currently  
5 employed?

6 A I don't understand your question.

7 Q What do you do for a living?

8 A Okay. I am the used car manager at  
9 Honda of Princeton.

10 Q And is that -- is that sometimes  
11 referred to as HOP?

12 A Yes.

13 Q Can I call it HOP?

14 A Okay.

15 Q And same thing with Audi of  
16 Princeton, I will say AOP. Is that okay?

17 A Okay.

18 Q And you understand that AOP is the  
19 entity that sells Audis and Volkswagens?

20 A Yes I do.

21 Q How long have you been employed with  
22 Honda of Princeton?

23 A It will be five years in May of 2022.

24 Q And what position were you hired  
25 into?

1 A Used car manager.

2 Q How long have you been working in the  
3 car sales business altogether?

4 A Approximately 25 years.

5 Q What job did you have immediately  
6 before May of 2017?

7 A I was working for Cox Automotive.

8 Q For what?

9 A Cox Automotive.

10 Q And what is Cox Automotive?

11 A Cox Automotive is a -- actually, Cox  
12 Automotive is a media company who has subsidiary  
13 companies, and one of the companies that I worked  
14 for was vAuto.

15 Q Okay. What is vAuto?

16 A VAuto is a live market -- live-market  
17 view of used cars, to sum it up.

18 Q What does a live-market view actually  
19 mean?

20 A It's active information and active  
21 data that is no older than six hours old when you're  
22 reading it.

23 Q And what geographic area does this  
24 cover?

25 A It covers the entire United States

1 and some portions of Canada.

2 Q How long did you work for Cox?

3 A I believe it was a year and eight  
4 months.

5 Q And what did you do for Cox  
6 Automotive at that time?

7 A I was an acquisition pro, and my job  
8 was to train individuals on how to acquire  
9 inventory.

10 Q On how to what?

11 A How to acquire pre-owned inventory.

12 Q And how does vAuto help one do that?

13 A It's a very broad question.

14 Q And an equally broad answer would be  
15 okay.

16 A Okay. So, what vAuto's function is  
17 for an inventory of -- let's call it an inventory  
18 organization tool. You could track your inventory  
19 with it, you can market your inventory with it, you  
20 can research live-market data to -- I guess an  
21 understanding of what a vehicle really is worth. It  
22 will help you mitigate loss, it will -- let's call  
23 it the ultimate guide book.

24 Q Okay.

25 A I can go on for hours --

1 Q Yeah. That's why I said an equally  
2 broad response.

3 A Yes.

4 Q Okay. What training did you get in  
5 order to train others to use this tool?

6 A I was -- I was trained for four  
7 months in Colorado.

8 Q Okay. And that would be included --  
9 would that be included in the year and a half -- the  
10 year and eight months?

11 A Correct.

12 Q So you were trained -- you were  
13 training people for a year and four months?

14 A Okay.

15 Q Is that right?

16 A I would agree.

17 Q What did -- what did a training  
18 program at vAuto consist of? Bad question. Was  
19 there a -- was there a curriculum, a set sequence,  
20 of things you learned?

21 A We were trained basic understanding,  
22 we were also trained advanced understanding, and we  
23 were also taught how to identify what a individual  
24 store would need and at what point we -- or which  
25 point we would, I guess, recommend what an

1 individual would need.

2 Q To the best of your knowledge, how  
3 long has vAuto been a thing?

4 A I can tell you in 2007 it was  
5 released to the public.

6 Q Okay. Understanding that you got --  
7 you became involved with them only in 2017, do you  
8 know what the functionality differences were between  
9 2007 and 2017 with vAuto?

10 A Well, it is an ever-changing system.  
11 It's constantly updated.

12 Q Of course. It's a computer system.

13 A Software live data, yes.

14 Q But can you generalize what the  
15 functionality was over time -- changes were over  
16 time?

17 A Again, a very broad question.

18 Q Let me try this. In 2007, to the  
19 best of your knowledge, what did vAuto do?

20 A Inventory management.

21 Q Okay. That means -- does that mean  
22 that if I were a car dealership I know what is on my  
23 lot?

24 A That is one of the functions.

25 Q As of 2007, is that all it did or did



1 it do other things as well?

2 A To my understanding of what I was  
3 taught --

4 Q Understood.

5 A -- at that point it was the inventory  
6 management tool. Yes, it also had live data,  
7 live-market data, that we did use for reference as  
8 for continuing with appraisals.

9 Q And it developed by 2017 to do a  
10 whole suite of things. Correct?

11 A Yes.

12 Q What of those suite of things was  
13 being used at -- well, both HOP and AOP used vAuto  
14 in 2017?

15 A Yes.

16 Q What of the suite were they using?

17 A Who is they?

18 Q AOP and HOP.

19 A Okay.

20 Q Sorry.

21 A HOP was using Provision,  
22 Provisioning, Stockwave, Syndication, and Pictures.

23 Q Okay. What was AOP using?

24 A Provision, Provisioning, and that was  
25 as much as I can remember.

1 Q What is Provision?

2 A Provision is the base product of  
3 vAuto, which gives you the inventory management.

4 Q And what is Provisioning?

5 A Provisioning is the ability to read  
6 live-market data and understand what consumer  
7 preference is.

8 Q I am looking at -- I am looking at an  
9 email from someone named Jonathan Harvey. Do you  
10 know who Jonathan Harvey is?

11 A I did know him.

12 Q Well, who was he?

13 A I believe his function was a BDC  
14 manager.

15 Q Do you know what BDC stands for?

16 A Yes. Business development.

17 Q I am looking at -- and I can show it  
18 to you if you need to, but I'm looking at an email  
19 from him saying that they were only going to use the  
20 pricing tool and the appraisal tool. Which of those  
21 is which?

22 A That is Provision. That is the base  
23 suite.

24 Q And when, if ever, did AOP start  
25 using Provisioning?

1 A Yes, sir.

2 Q Well, let's talk about how it worked  
3 then.

4 A Very little has changed since then.  
5 So my process -- I will explain to you my process.

6 Q Okay.

7 A And let's say we're going to an  
8 auction. I wouldn't physically go to the auction  
9 anymore, those days are over. Everything is virtual  
10 or everything is done at the desk. Reason being  
11 is --

12 Q COVID.

13 A COVID. But before COVID I stopped  
14 doing it. That's the reason why I got into vAuto,  
15 to teach the newer -- nuances of how to handle an  
16 auction nowadays. You used to go to an auction,  
17 read through it on the fly, try to run to that lane,  
18 wait for that car to hit the block at that point, be  
19 there to bid and then lane surf back and forth. You  
20 know, there could be 30 or 40 lanes. Not effective.  
21 By no means is that effective at all because one  
22 person can only cover so many lanes.

23 Q But it was good exercise.

24 A Heck of an exercise.

25 Nowadays, we have the ability to use

1 what's known as Stockwave, which is another piece of  
2 vAuto technology. They have the ability to use the  
3 consumer click preference market. They supply live  
4 auction information along with live-market data and  
5 filter it in reverse. Rather than looking for a  
6 specific car, I look for a specific data which would  
7 populate a list of vehicles that would work for our  
8 store. And that seems to be the most effective way  
9 right now to do it. Most efficiently also.

10 Q So, can I ask you a for instance? So  
11 if I wanted to go to -- if I wanted to buy cars from  
12 an auction that were blue with camel interiors and  
13 landau roofs with V8 engines --

14 A Yes.

15 MS. TRACY: Objection.

16 Q -- this would allow me to find all  
17 those possible cars?

18 MS. TRACY: Objection.

19 A It would.

20 Q How would I go about learning what  
21 cars were likely to be sold -- saleable?

22 A Very vague question.

23 Q Understood.

24 Using vAuto or using some software  
25 tool.

1 Q Over what period of time?

2 A I'm going to be guessing.

3 Q Months or years?

4 A Months.

5 Q Do you remember how many times you  
6 met with Mr. Ortiz?

7 A It's kind of hard to say, and I don't  
8 remember how long.

9 Q It's not quite the same thing but I  
10 thought I'd take a shot. Do you remember how  
11 many -- do you remember how many times you met with  
12 Mr. Stamos?

13 A Same amount of times as I did with  
14 Rich Ortiz.

15 Q Was there ever a time that you asked  
16 Mr. Stamos to meet with you that he said no?

17 A Yes.

18 Q How many times did he say no?

19 A I am speculating by throwing a number  
20 out there. It wouldn't be fair --

21 Q That's fine.

22 Did he ever tell you why he didn't  
23 want to meet with you?

24 A Because he did not need my help.

25 Q Were you able to assess what

1 opportunities you could have provided to Mr. Stamos?

2 A Yes.

3 Q What opportunities could you provide  
4 to Mr. Stamos?

5 A To teach him how to do appraisals for  
6 one, which is where everything starts. To start  
7 effectively using vAuto. They never got past that.

8 Q Did you -- when you first met him,  
9 did you learn how long he'd been using vAuto in his  
10 life?

11 A No.

12 Q Did you know he'd been using it for  
13 years?

14 A No.

15 Q So, is that all Mr. Stamos said to  
16 you was, I don't think I need your help? Or did he  
17 say something else?

18 MS. TRACY: Objection.

19 A That's a very vague question because  
20 there's a few times where he did talk to me and  
21 didn't want to interact with me at all, and he would  
22 actually walk out of the room when I was working  
23 with him and Mr. Ortiz.

24 Q Well, did you ever tell him what you  
25 thought you could do for him?

1 A Yes.

2 Q What did you tell him you could do  
3 for him?

4 A I told him we needed to start with  
5 appraisals, to make sure we are all on the same  
6 page. Because I don't want to have -- I don't want  
7 to create a process that's not going to work for  
8 both of the managers who are working in the same  
9 office. If you have one person pulling one way, one  
10 person pulling the other way, it is not going to  
11 help. If they're both on the same page it would  
12 help both of them.

13 Q Were you able to identify any other  
14 issues, besides appraisals, that you thought you  
15 could help Mr. Stamos with?

16 A Marketing aspects, yes.

17 Q Did you ever talk to Mr. Stamos about  
18 marketing using --

19 A I tried to.

20 Q -- vAuto?

21 And what was his response?

22 A I don't need your help.

23 Q And you don't recall right now any  
24 times that you actually met with Mr. Stamos, any  
25 actual dates?

1 A I don't remember dates, no.

2 Q Do you have any kind of a record  
3 somewhere of what you do on a day-to-day basis?

4 A No.

5 Q Would there be even a desk blotter or  
6 something --

7 A No.

8 Q -- that would show when you went over  
9 to provide training?

10 A No.

11 Q Typically when you train someone, is  
12 there -- is there material resources that you give  
13 them?

14 A No. In-person training is the most  
15 effective.

16 Q When was the first time you told  
17 someone that Mr. Stamos was not -- was not meeting  
18 with you when you were making yourself available to  
19 him?

20 A It would have to be to Rich Ortiz who  
21 was the direct manager, and he actually witnessed  
22 it.

23 Q Other than to Rich Ortiz who directly  
24 witnessed it, when -- did you ever tell anybody else  
25 that Mr. Stamos was not -- was not wanting to meet



1 with you?

2 A I would have had to have told Mr.  
3 Solano.

4 Q Do you remember when?

5 A No.

6 Q Is there anybody that would know  
7 besides yourself, Mr. Solano, Mr. Stamos, when you  
8 attempted to meet with Mr. Stamos?

9 A Rich Ortiz.

10 Q Other than -- I'm sorry. Okay. What  
11 I meant to ask was, other than yourself, Mr. Ortiz  
12 and Mr. Stamos, would there be anybody that would  
13 know when you tried to meet with him by date?

14 A No. Not that I can think of.

15 Q What did you use to determine that  
16 Mr. Stamos wasn't effectively using vAuto for  
17 appraisals?

18 A There are reports that you can --  
19 that you can generate.

20 Q What would they look like?

21 A It would be -- I will use for example  
22 a look-to-book report. It will tell you how many  
23 vehicles you looked at as to -- as compared to how  
24 many vehicles you had taken in. That would be the  
25 first thing I would look at.

1 Q Is that something you would have  
2 printed out or would you have been looking at it on  
3 a screen?

4 A I would have been looking at it with  
5 him.

6 Q Okay. Did you actually do that with  
7 Mr. Stamos?

8 A I did.

9 Q Was he receptive to your commentary?

10 A No.

11 Q Did he tell you why he wasn't  
12 receptive --

13 A He didn't need my help.

14 MR. DERATZIAN: Have I ever seen  
15 this? Anything like a printout like this? I'm just  
16 curious. If you know.

17 MS. TRACY: Not to my knowledge. But  
18 I am not sure really what you are referring to.

19 MR. DERATZIAN: Well, that is what I  
20 am trying to find out.

21 MS. TRACY: But Mr. Clites testified  
22 he would look at it with him. He didn't specify  
23 there was a printout --

24 MR. DERATZIAN: I didn't say there  
25 was. I was just wondering --

1 Q Do you remember if it was in or about  
2 July of 2019?

3 A I'd be guessing if I answered that.

4 Q We don't want that.

5 Believe me, I'm not trying to be  
6 difficult but I'm trying to understand. Other than  
7 not wanting to interact with you, why do you believe  
8 that Mr. Stamos was not using vAuto properly?

9 A Are you asking for my opinion?

10 Q Yeah. I'm asking for your opinion.

11 A I knew from the facts -- and the same  
12 thing that I've taught many other people, the same  
13 areas, and it is very clear for me who looks -- who  
14 has taught many hundreds of people, that he wasn't  
15 using it effectively. And it was the one thing that  
16 is very common, and I am going to say a majority of  
17 the people who struggled with the new way of doing  
18 things in the used car market and the live data, was  
19 always the first thing that popped up, it was just  
20 being able to do the appraisal properly and  
21 understanding what the information means.

22 Q So, regardless of how one gets there,  
23 do you have any belief that Mr. Stamos's appraisals  
24 were not accurate?

25 A That is a tough question. I am not

1 sure what you're asking.

2 Q You've got a magic box that you put  
3 certain criteria into and that you ask it a question  
4 and it tells you whatever it's able to based on your  
5 criteria. Correct? Normal -- what a computer  
6 software does. On the other hand, you've got a book  
7 that is yellow that says NADA Guide on it, and  
8 you've got a whole bunch of other things that you  
9 have been looking at for 25 years.

10 A Okay.

11 Q If the two arrive at the same  
12 conclusion, is there anything wrong with that?

13 MS. TRACY: Objection.

14 A I'm going to be a wiseguy when I say  
15 this but, even a broken clock is right twice a day.

16 MR. DERATZIAN: Off the record.

17 (Whereupon, a discussion was held off  
18 the record.)

19

20 BY MR. DERATZIAN:

21 Q And I hear what you're saying. But  
22 was it your understanding that Mr. Stamos -- how was  
23 it your understanding that Mr. Stamos was doing  
24 appraisals?

25 A My understanding at that point was he

1 was still using books.

2 Q The little yellow book I talked about  
3 earlier?

4 A Correct.

5 Q Okay. Was it your understanding that  
6 he was coming up with inaccurate appraisals by using  
7 books?

8 A You're asking my opinion?

9 Q Yeah.

10 A Okay. I think that his information  
11 was not current enough. A lot of those books expire  
12 after two weeks and information changes every day.  
13 So if I take a look at a car today and I look at  
14 the -- what the market average is today and I look  
15 at it tomorrow, in most cases that number is going  
16 to be lower. So if I'm looking at a book that's  
17 outdated -- let's say he is two versions outdated  
18 and maybe he's looking at the wrong book, which was  
19 a common mistake back in the early '90s when I used  
20 to watch the used car managers do it then -- it does  
21 happen. So if you're looking at a book that is too  
22 old, it can easily be missing the mark.

23 Q Do you have any information that  
24 Mr. Stamos's appraisals actually were missing the  
25 mark?